

Week Ending Friday, August 23, 1996

The President's Radio Address

August 17, 1996

Good morning. This year the American people are being offered a clear choice of economic plans, two very different visions of how to help our economy grow. This morning I want to talk with you about my plan for our Nation's economy, about the differences between my plan and the plan offered by our opponents, and how we can keep the American dream alive as we move toward the 21st century.

This is a very hopeful time for our country. Our Nation's enduring mission is to give every American opportunity, to demand responsibility from all of our citizens, and to come together as a community. We must go forward into this new century together.

One of the things that helps us is a growing economy. A growing economy helps make all those values—opportunity, responsibility, and community—real for our families, our children, for all Americans.

As America prepares itself for the possibilities of the new century, they seem unlimited. But 4 years ago that wasn't so clear. Our economy was drifting then. New jobs were scarce; unemployment was 7.7 percent. Our budget deficit was at a record high and growing.

I took office determined to set our country on a new course, and that is what we did, cutting the deficit by 60 percent, investing in our people, expanding exports to record levels. And today we see the results. America is making more cars than Japan for the first time in a decade. We have 900,000 new construction jobs. There are hundreds of thousands of businesses owned by women. In fact, now, one in three businesses are owned by a woman.

Four point four million Americans have become homeowners. Another 10 million have refinanced their mortgages at lower rates. The combined rates of inflation, unem-

ployment, and mortgages is at a 28-year low. The budget deficit is now the smallest it's been since 1981, and our economy has created over 10 million new jobs.

Finally, real hourly wages—the paycheck of the American worker—these wages are starting to rise again for the first time in a decade. As even our opponents have acknowledged, our economy is the soundest it's been in a generation.

This opportunity strategy is working. But now we have to build on it, to produce faster growth, more high-paying jobs, more successful businesses, to bring the benefits of economic growth to those who have not yet experienced them. First, we have to finish the job of balancing the budget so that we can keep interest rates down and remove the debt burden from future generations. Then we have to give our people education and training, access to health care, and retirement security, so all working people can reap the rewards of this new economy.

This week I will sign into law an increase in the minimum wage. For those who work hard to stay off welfare but can't live on \$4.25 an hour, this is a very important act. It will truly honor work and family. The same bill also provides help to small businesses to help them increase investment in job creation and to increase their ability to save for retirement.

Next, we should give Americans a tax cut. We've already cut taxes for 15 million American working families through our dramatic expansion of the earned-income tax credit. This year that tax deduction will be worth about \$1,000 to a family of four with an income of \$28,000 a year or less. Now, we can, and we should, do more.

In going forward I have proposed a program of tax cuts for working families that focus on education and childrearing and are clearly within our ability to balance the budget so we can continue to keep those interest rates down and the economy growing. That's

very important if we want our families to be strong and successful.

On the tax cut front I think, first, we should give tax cuts to pay for a college education. I have proposed giving individuals a \$1,500 tax credit each year to pay for 2 years of college tuition, a Hope Scholarship that will entirely pay for tuition at a typical community college. We have to make 2 years of education after high school as universal as a high school education is now.

And going beyond that, I proposed giving families a tax deduction for up to \$10,000 a year for the tuition of all college costs, going beyond just the first 2 years. Over and above that, I have proposed collapsing all the Federal training programs into a "GI bill" for America's workers, so that those who are unemployed or underemployed can get a skills grant worth up to \$2,600 a year to pursue their education. This is a good, good foundation on building a network of lifetime learning that all American families will need to succeed in the global economy.

The second thing we need to do is to give parents of children under the age of 13 a \$500 per child tax credit to help them to pay for child care. This also is very important.

Thirdly, we ought to give people a tax cut through expanded IRA's that people can use to withdraw from without penalty in a way that helps them save not only for their retirement but also for a first-time home, for medical care, or for a college education.

That's our program: targeted tax cuts; continuing to invest in education and research and new technologies; continuing to cut the deficit and balance the budget; expanding exports to record levels. This is the plan that will work. We know this growth strategy works. It's already produced over 10 million new jobs, a very different situation than existed under the previous policy.

Now, as you know, our opponents are offering a very different strategy, but it's the same one they've offered before. And our plans are very different. My tax cut is limited in size; it's worth \$110 billion. Theirs is 5 times as much, \$550 billion. We can afford ours. We can't afford theirs.

My tax cut is targeted. Theirs is indiscriminate. Mine will be there when the middle class families need it to help them give their

children an education, buy a home, pay for child care. Our opponents' plan gives indiscriminate tax cuts, regardless of the cost. In fact, millions of middle class families with children in college or with adults in educational programs would actually get a bigger tax cut under my plan than under our opponents' plan.

And my tax cut is paid for with specific, tough budget cuts consistent with the balanced budget plan. Our opponents haven't said how they'll pay for their tax cut yet.

Now, if they don't pay for it, their plan would balloon the deficit. That would increase interest rates, and that would slow down the economy and cost us jobs. Our plan, by contrast, would clearly help the economy. Higher interest rates under their plan would cancel out the tax benefits for most families. Under our plan, interest rates would come down because the budget will be balanced just as people are getting their tax cuts.

On the other hand, if our opponents do pay for this massive tax cut, that would mean even bigger cuts in Medicare, Medicaid, education, and the environment than they have already proposed. My plan pays for tax cuts without undermining our values. Their plan would deeply cut Medicare. My plan would not require new out-of-pocket costs for beneficiaries to pay for tax cuts. Their plan would undermine Medicaid's guarantee of quality health care to pregnant women, poor children, to families with people with disabilities, and to the elderly. My plan would preserve Medicaid's guarantee for these groups of Americans.

Their plan would cut education. My plan would cut taxes while increasing investments in education. Their plan would endanger the environment. My plan would cut taxes while continuing to clean up pollution and make our environment cleaner.

So the American people have a clear choice in this election. We agree on one thing: Americans do deserve a tax cut. But we must choose between a tax cut that responsibly balances the budget and one that puts our economy at risk; between one that is targeted to help working families pay for education, health care, and other pressing needs, and one that is indiscriminate; be-

tween one that is paid for by prudently cutting Government, and one that is paid for by undercutting Medicare, Medicaid, education, and the environment, or not paid for at all, bringing back those bad old days of out of control deficits, high interest rates, slow growth, or recession.

I look forward to discussing these plans before the American people in the coming months. This election will give our Nation the chance to decide whether we want to continue forward on a path of opportunity, responsibility, work, and growth. That kind of debate can only be good for our country.

Thanks for listening.

NOTE: The address was recorded at 5:40 p.m. on August 16 at the Chapman Ranch in Jackson Hole, WY, for broadcast at 10:06 a.m. on August 17.

Remarks to the Community in Idaho Falls, Idaho

August 17, 1996

Thank you so much. Thank you. I'm glad to see you. Thank you. First of all, let me thank——

[*At this point, the audience sang "Happy Birthday."*]

Thank you very much. Thank you all for coming out. Hillary and Chelsea and I are delighted to see you. I even thank you for singing "Happy Birthday" to me. I've been a little apprehensive about turning 50 and getting my AARP card, but the music makes it a little easier to bear. We've had a wonderful family vacation in the West; we go back East refreshed, ready to go to work.

I just wanted to say to all of you that next week will be a good week for our country. I'll have a chance to sign a bill that increases the minimum wage and increases tax incentives. [*Applause*] Thank you. The bill also—a lot of people don't know this—the bill also increases incentives, tax incentives for small-business people to invest in their business and makes it easier for small-business people and their employees to take out and keep retirement plans, even during periods when they're not employed. So it's a great bill for America; it's a good thing.

And I have a chance to sign a bill next week that says you don't lose your health insurance if somebody in your family gets sick or if you change jobs, the Kassebaum-Kennedy bill. And of course, the welfare reform bill, which will give States more funds for child care and for health care, and then require people who can to move from welfare to work.

It'll be a very good week for America. And all those bills passed with very strong bipartisan majorities. I can only say that I wish we had more of that in Washington, and I know you do, too. But I am very, very happy, I'm delighted to be here. I love seeing all these signs here. You've made us very, very happy, and we'd like to come out and say hello to you in time for this plane to leave.

Thank you, and God bless you, Idaho. Thank you.

NOTE: The President spoke at 6:10 p.m. at Fenning Field. A tape was not available for verification of the content of these remarks.

Remarks on Departure for New York City and an Exchange With Reporters

August 18, 1996

Air Force Transport Crash

The President. Before I leave, I'd just like to say how very sad and shocked Hillary and I were to receive word early this morning of the crash of the Air Force transport plane coming out of Wyoming. There are always significant dangers associated with our Armed Forces, the people in our Secret Service, and others who do this work, but this is especially painful to us because they worked for me. They did an invaluable service, and I'm very, very sad about it.

The local law enforcement people are on the ground doing the search now. I have sent an Air Force team of inspectors there. We do not know what caused the crash at this time. And I think for the moment, I'd just like to say that our thoughts and prayers are with the families of the people who were lost, along with our everlasting gratitude.

Thank you.